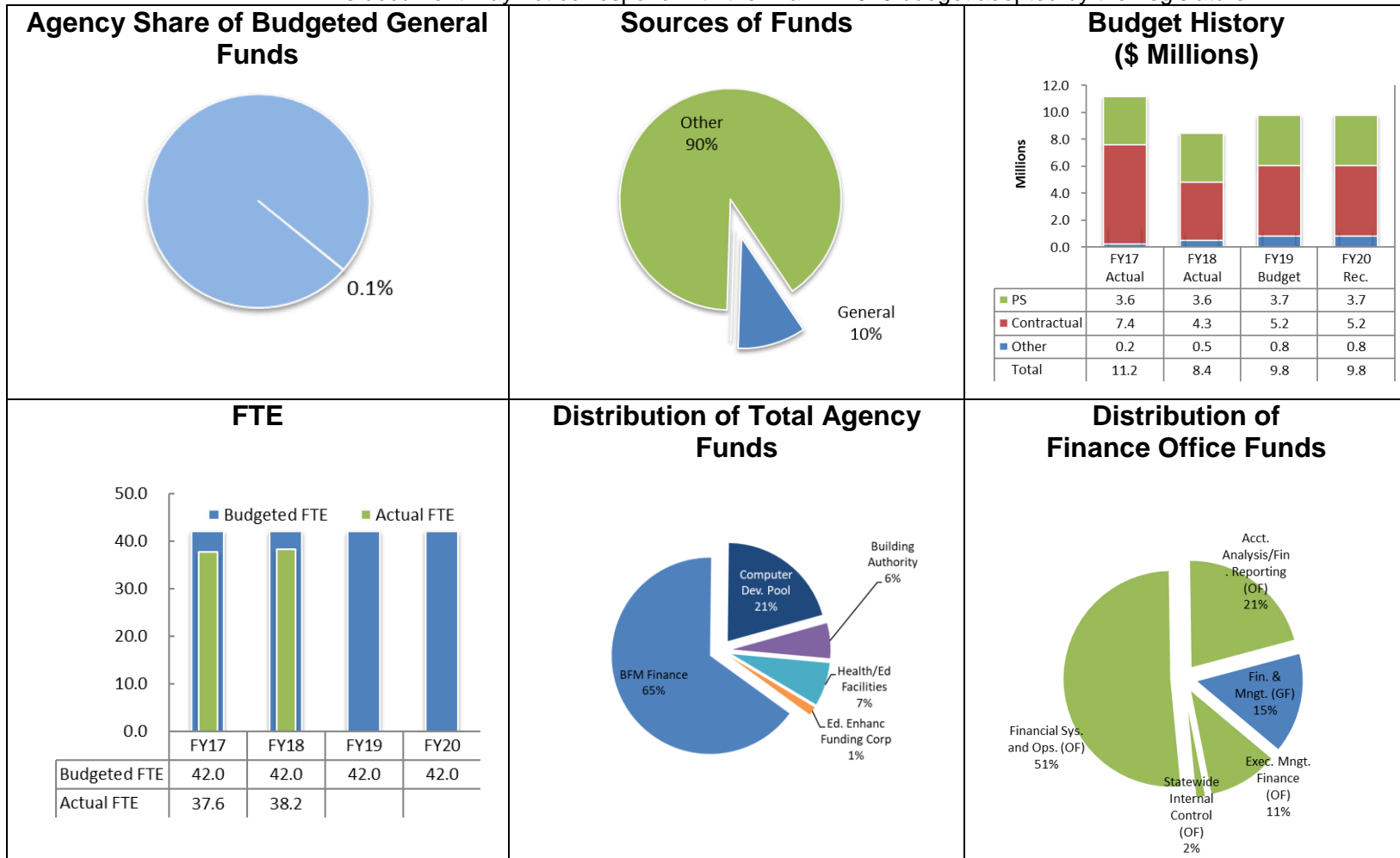


# FY2020 Budget Briefing

## Bureau of Finance and Management

Information contained in this document is based on the Governor's December recommended FY2020 budget.  
This document may not correspond with the final FY2020 budget adopted by the Legislature.



Charts do not include Employee Compensation and Billing Pools (0117)

### Key Personnel

- Liza Clark, Commissioner
- Vacant, Deputy
- Colin Keeler, Financial Systems
- Steven Kohler, Finance Officer
- Derek Johnson, Chief Budget Analyst
- Keith Senger, Accounting Analysis and Financial Reporting
- Mark Quasney, Statewide Internal Control Officer

### Mission of the Bureau of Finance and Management (BFM)

The mission of the Bureau of Finance and Management (BFM) includes advising the Governor on overall fiscal policy; completing and presenting the annual fiscal plan; promoting the efficient and effective management of the state of South Dakota; preparing the state's annual financial report; implementing a statewide system of internal control; managing internal service rates; and, managing the central accounting and payroll systems for the state.

### Bureau of Finance and Management (BFM) Budget Request

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Finance and Management	906,507	919,482	970,701	970,701	970,701	0
Executive Mgt. Finance Office	678,714	663,955	685,554	685,554	685,554	0
Financial Systems and Operations	3,080,799	3,652,244	3,264,303	3,264,303	3,264,303	0
Accounting Analysis/Financial Reporting	1,100,657	1,157,899	1,340,556	1,340,556	1,340,556	0
Statewide Internal Control	0	547,865	103,495	103,495	103,495	0
Sale/Leaseback (BFM)	4,000,000	0	0	0	0	0
Computer Services and Development	0	0	2,000,000	2,000,000	2,000,000	0
Conservation Rsrv Enhancement Prg - Info	0	0	0	0	0	0
Building Authority - Informational	573,257	601,689	564,577	564,577	564,577	0
Health & Ed Facilities Authority - Info	726,329	783,191	695,175	695,175	695,175	0
Unused	0	0	0	0	0	0
Market Adjustments	0	0	0	0	22,742,976	22,742,976
Pay For Performance	0	0	0	0	0	0
Adjust GPS Minimums	0	0	0	0	767,936	767,936
Health Insurance	0	0	0	0	17,521,239	17,521,239
Unused	0	0	0	0	0	0
Bureau Billings for Expansion	0	0	0	0	3,001,505	3,001,505
Pool for Captive Insurance	0	0	0	0	0	0
Educ. Enhancement Funding Corp - Info	97,124	120,478	139,605	139,605	139,605	0
<b>Total</b>	<b>11,163,387</b>	<b>8,446,804</b>	<b>9,763,966</b>	<b>9,763,966</b>	<b>53,797,622</b>	<b>44,033,656</b>
<b>BY FUND CATEGORY</b>						
General	4,906,507	919,482	970,701	970,701	17,114,292	16,143,591
Federal	0	0	0	0	7,963,848	7,963,848
Other	6,256,880	7,527,322	8,793,265	8,793,265	28,719,482	19,926,217
<b>Total</b>	<b>11,163,387</b>	<b>8,446,804</b>	<b>9,763,966</b>	<b>9,763,966</b>	<b>53,797,622</b>	<b>44,033,656</b>

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>3,564,384</b>	<b>3,603,112</b>	<b>3,706,283</b>	<b>3,706,283</b>	<b>42,867,034</b>	<b>39,160,751</b>
Salaries	2,830,054	2,813,212	2,955,280	2,955,280	22,519,378	19,564,098
Benefits	734,331	789,901	751,003	751,003	20,347,656	19,596,653
<b>Operating Expenditures</b>	<b>7,599,002</b>	<b>4,843,692</b>	<b>6,057,683</b>	<b>6,057,683</b>	<b>10,930,588</b>	<b>4,872,905</b>
Travel	96,531	103,784	99,979	99,979	3,101,484	3,001,505
Contractual Services	7,380,147	4,333,323	5,213,202	5,213,202	7,084,602	1,871,400
Supplies and Materials	101,435	101,230	127,551	127,551	127,551	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	20,890	305,350	616,951	616,951	616,951	0
Other	0	5	0	0	0	0
<b>Total</b>	<b>11,163,388</b>	<b>8,446,805</b>	<b>9,763,966</b>	<b>9,763,966</b>	<b>53,797,622</b>	<b>44,033,656</b>
<b>Full-Time Equivalent (FTE)</b>	<b>37.6</b>	<b>38.2</b>	<b>42.0</b>	<b>42.0</b>	<b>42.0</b>	<b>0.0</b>

#### Major Items Summary - Bureau of Finance and Management (BFM)

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2020 Base Budget</b>	<b>970,701</b>	<b>0</b>	<b>8,793,265</b>	<b>9,763,966</b>	<b>42.0</b>	<b>970,701</b>	<b>0</b>	<b>8,793,265</b>	<b>9,763,966</b>	<b>42.0</b>
<b>Maintenance of Current Operations</b>										
A. State Employee Health Insurance	0	0	0	0	0.0	6,890,099	3,234,549	7,396,591	17,521,239	0.0
B. Payments to State Agencies	0	0	0	0	0.0	568,137	498,953	1,934,415	3,001,505	0.0
C. State Employee Market Adjustment	0	0	0	0	0.0	8,685,355	4,230,346	10,595,211	23,510,912	0.0
<b>Total Maintenance Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>16,143,591</b>	<b>7,963,848</b>	<b>19,926,217</b>	<b>44,033,656</b>	<b>0.0</b>
<b>FY 2020 Program Maintenance Budget</b>	<b>970,701</b>	<b>0</b>	<b>8,793,265</b>	<b>9,763,966</b>	<b>42.0</b>	<b>17,114,292</b>	<b>7,963,848</b>	<b>28,719,482</b>	<b>53,797,622</b>	<b>42.0</b>
<b>Program Line Items</b>										
<b>Total Program Line Items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>FY 2020 Total Budget</b>	<b>970,701</b>	<b>0</b>	<b>8,793,265</b>	<b>9,763,966</b>	<b>42.0</b>	<b>17,114,292</b>	<b>7,963,848</b>	<b>28,719,482</b>	<b>53,797,622</b>	<b>42.0</b>
Change from Base Budget	0	0	0	0	0.0	16,143,591	7,963,848	19,926,217	44,033,656	0.0
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	1,663.1%	0.0%	226.6%	451.0%	0.0%

# Prior and Current Year Budget Recap - Bureau of Finance and Management (BFM)

Prior Year Recap		FTE	General	Federal	Other	Total
<b>FY 2018 Original Budget</b>		<b>42.0</b>	<b>958,267</b>	<b>0</b>	<b>8,360,813</b>	<b>9,319,080</b>
<b>Legislative Adjustments</b>						
Supplemental Bill	PS		5,470,621	2,087,522	3,738,163	11,296,306
Supplemental Bill - Health Insurance	PS		(5,464,907)	(2,087,522)	(3,714,518)	(11,266,947)
Supplemental Bill	OE		229,714	98,509	217,750	545,973
Supplemental Bill - Health Insurance	OE		(228,523)	(98,509)	(170,916)	(497,948)
<b>Total Legislative Adjustments</b>		<b>0.0</b>	<b>6,905</b>	<b>0</b>	<b>70,479</b>	<b>77,384</b>
<b>Agency Adjustments</b>						
One-time transfer from Computer Development Pool to develop an internal control system framework	OE		0	0	500,000	500,000
One-time transfer from development pool	OE		0	0	(2,000,000)	(2,000,000)
One-time transfer from development pool for CAFR system	OE		0	0	1,000,000	1,000,000
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>(500,000)</b>	<b>(500,000)</b>
<b>FY 2018 Adjusted Budget</b>		<b>42.0</b>	<b>965,172</b>	<b>0</b>	<b>7,931,292</b>	<b>8,896,464</b>
<b>Reversions</b>						
Prior Year Reversions	PS		(45,690)	0	(42,920)	(88,610)
Prior Year Reversions	OE		0	0	(361,050)	(361,050)
<b>Total Reversions</b>			<b>(45,690)</b>	<b>0</b>	<b>(403,970)</b>	<b>(449,660)</b>
<b>Unutilized FTE</b>		<b>(3.8)</b>				
<b>FY 2018 Percent Reverted</b>		<b>9.0%</b>	<b>(4.8%)</b>	<b>0</b>	<b>(4.8%)</b>	<b>(4.8%)</b>
Current Year Recap		FTE	General	Federal	Other	Total
<b>FY 2019 Original Budget</b>		<b>42.0</b>	<b>6,368,501</b>	<b>2,836,716</b>	<b>14,887,651</b>	<b>24,092,868</b>
<b>Legislative Adjustments</b>						
Market Adjustment	PS		(4,147,249)	(1,964,122)	(5,079,321)	(11,190,692)
General Pay Structure Minimums	PS		(627,869)	(534,249)	(491,532)	(1,653,650)
Market Adjustment	OE		(252,234)	(103,378)	(207,252)	(562,864)
Bureau Billings	OE		(370,448)	(234,967)	(316,281)	(921,696)
<b>Total Legislative Adjustments</b>		<b>42.0</b>	<b>(5,397,800)</b>	<b>(2,836,716)</b>	<b>(6,094,386)</b>	<b>(14,328,902)</b>
<b>Agency Adjustments</b>						
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2019 Adjusted Budget</b>		<b>42.0</b>	<b>970,701</b>	<b>0</b>	<b>8,793,265</b>	<b>9,763,966</b>

## BUREAU OF FINANCE AND MANAGEMENT (0111)

The mission of the Bureau of Finance and Management (BFM) includes advising the Governor on overall fiscal policy; completing and presenting the annual fiscal plan; promoting the efficient and effective management of the state of South Dakota; preparing the state's annual financial report; implementing a statewide system of internal control; managing internal service rates; and, managing the central accounting and payroll systems for the state.

## BUDGET REQUEST: BUREAU OF FINANCE AND MANAGEMENT (0111)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Finance and Management	906,507	919,482	970,701	970,701	970,701	0
Executive Mgt. Finance Office	678,714	663,955	685,554	685,554	685,554	0
Financial Systems and Operations	3,080,799	3,652,244	3,264,303	3,264,303	3,264,303	0
Accounting Analysis/Financial Reporting	1,100,657	1,157,899	1,340,556	1,340,556	1,340,556	0
Statewide Internal Control	0	547,865	103,495	103,495	103,495	0
<b>Total</b>	<b>5,766,677</b>	<b>6,941,446</b>	<b>6,364,609</b>	<b>6,364,609</b>	<b>6,364,609</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	906,507	919,482	970,701	970,701	970,701	0
Federal	0	0	0	0	0	0
Other	4,860,170	6,021,964	5,393,908	5,393,908	5,393,908	0
<b>Total</b>	<b>5,766,677</b>	<b>6,941,446</b>	<b>6,364,609</b>	<b>6,364,609</b>	<b>6,364,609</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>2,896,762</b>	<b>2,895,071</b>	<b>3,228,328</b>	<b>3,228,328</b>	<b>3,228,328</b>	<b>0</b>
Salaries	2,317,164	2,275,516	2,582,043	2,582,043	2,582,043	0
Benefits	579,599	619,556	646,285	646,285	646,285	0
<b>Operating Expenditures</b>	<b>2,869,915</b>	<b>4,046,375</b>	<b>3,136,281</b>	<b>3,136,281</b>	<b>3,136,281</b>	<b>0</b>
Travel	59,096	43,897	60,838	60,838	60,838	0
Contractual Services	2,709,352	3,622,301	2,358,939	2,358,939	2,358,939	0
Supplies and Materials	84,407	79,565	104,668	104,668	104,668	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	17,061	300,606	611,836	611,836	611,836	0
Other	0	5	0	0	0	0
<b>Total</b>	<b>5,766,679</b>	<b>6,941,446</b>	<b>6,364,609</b>	<b>6,364,609</b>	<b>6,364,609</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>32.6</b>	<b>33.2</b>	<b>36.0</b>	<b>36.0</b>	<b>36.0</b>	<b>0.0</b>
<b>FUNDING SOURCES (Governor's Recommended)</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>%General</b>	<b>%Federal</b>	<b>%Other</b>
STATE GENERAL FUND	970,701	0	0	100.0%	0.0%	0.0%
BUDGETARY ACCOUNTING FUND	0	0	4,708,354	0.0%	0.0%	100.0%
BOA CENTRAL OFFICE	0	0	685,554	0.0%	0.0%	100.0%

**MAJOR ITEMS SUMMARY: BUREAU OF FINANCE AND MANAGEMENT (0111)**

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2020 Base Budget</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>	<b>0.0</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>	<b>0.0</b>
<b>Maintenance of Current Operations</b>										
<b>Total Maintenance Adjustments</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>FY 2020 Program Maintenance Budget</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>	<b>0.0</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>	<b>0.0</b>
<b>Program Line Items</b>										
<b>Total Program Line Items</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.0</b>
<b>FY 2020 Total Budget</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>	<b>36.0</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>	<b>36.0</b>
Change from Base Budget	0	0	0	0	36.0	0	0	0	0	36.0
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**BUDGET DETAIL: BUREAU OF FINANCE AND MANAGEMENT (0111)**

Prior Year Recap		FTE	General	Federal	Other	Total
<b>FY 2018 Original Budget</b>		<b>36.0</b>	<b>958,267</b>	<b>0</b>	<b>4,966,486</b>	<b>5,924,753</b>
<b>Legislative Adjustments</b>						
Supplemental Bill - Health Insurance	PS		5,714	0	20,644	26,358
Supplemental Bill	OE		767	0	38,582	39,349
Supplemental Bill - Health Insurance	OE		424	0	8,252	8,676
<b>Total Legislative Adjustments</b>		<b>0.0</b>	<b>6,905</b>	<b>0</b>	<b>67,478</b>	<b>74,383</b>
<b>Agency Adjustments</b>						
One-time transfer from Computer Development	OE		0	0	500,000	500,000
Pool to develop an internal control system framework						
One-time transfer from development pool for	OE		0	0	1,000,000	1,000,000
CAFR system						
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>1,500,000</b>	<b>1,500,000</b>
<b>FY 2018 Adjusted Budget</b>		<b>36.0</b>	<b>965,172</b>	<b>0</b>	<b>6,533,964</b>	<b>7,499,136</b>
<b>Reversions</b>						
Prior Year Reversions	PS		(45,690)	0	(275,035)	(320,725)
Prior Year Reversions	OE		0	0	(236,965)	(236,965)
<b>Total Reversions</b>			<b>(45,690)</b>	<b>0</b>	<b>(512,000)</b>	<b>(557,690)</b>
<b>Unutilized FTE</b>		<b>(2.8)</b>				
FY 2018 Percent Reverted or Transferred		7.8%	(4.8%)	0	(10.3%)	(9.4%)

### Prior Year Transfers Between Programs

Transferred \$1,500,000 in other fund expenditure authority from BFM Computer Services and Development to BFM Financial Systems and Operations (\$1,000,000) and BFM Statewide Internal Control (\$500,000). This was a one-time transfer from operating expenses to operating expenses. The expenditure authority was needed for one-time costs associated with computer development projects related to the Comprehensive Annual Financial Report system upgrade, transparency portal upgrade, and payroll/benefits/HR system upgrade within BFM Financial Systems and Operations, as well as the development of an internal control system framework within BFM Statewide Internal Control.

Current Year Recap		FTE	General	Federal	Other	Total
<b>FY 2019 Original Budget</b>		<b>36.0</b>	<b>958,267</b>	<b>0</b>	<b>5,348,153</b>	<b>6,306,420</b>
<b>Legislative Adjustments</b>						
Market Adjustment	PS		7,759	0	26,948	34,707
General Pay Structure Minimums	PS		4,112	0	71	4,183
Market Adjustment	OE		355	0	8,286	8,641
Bureau Billings	OE		208	0	10,450	10,658
<b>Total Legislative Adjustments</b>		<b>0.0</b>	<b>12,434</b>	<b>0</b>	<b>45,755</b>	<b>58,189</b>
<b>Agency Adjustments</b>						
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2019 Adjusted Budget</b>		<b>36.0</b>	<b>970,701</b>	<b>0</b>	<b>5,393,908</b>	<b>6,364,609</b>
<b>FY 2020 Base</b>						
Agency Request		36.0	970,701	0	5,393,908	6,364,609
Governor's Recommendation		36.0	970,701	0	5,393,908	6,364,609
<b>FY 2020 Maintenance of Current Operations</b>						
Agency Request		36.0	970,701	0	5,393,908	6,364,609
Governor's Recommendation		36.0	970,701	0	5,393,908	6,364,609
<b>FY 2020 Total</b>						
Agency Request		36.0	970,701	0	5,393,908	6,364,609
Governor's Recommendation		36.0	970,701	0	5,393,908	6,364,609
Agency Request						
Change from Original Appropriation		0.0	0	0	0	0
% Change from Original Appropriation		0.0%	0.0%	0.0%	0.0%	0.0%
<b>Governor's Recommendation</b>						
Change from Original Appropriation		0.0	0	0	0	0
% Change from Original Appropriation		0.0%	0.0%	0.0%	0.0%	0.0%

<b>REVENUES AND STATISTICS: BUREAU OF FINANCE AND MANAGEMENT (0111)</b>
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<b>REVENUES</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Estimated FY 2019</b>	<b>Estimated FY 2020</b>
Budget Book Sales deposited in Gen. Fund	68	43	50	50
<b>Total</b>	68	43	50	50

<b>SELECTED STATISTICS</b>	<b>Actual FY 2017</b>	<b>Actual FY 2018</b>	<b>Estimated FY 2019</b>	<b>Estimated FY 2020</b>
Expense Vouchers Processed > \$500	7,993	8,080	8,100	8,100
Receipts Processed (CRT's)	360	349	350	350
Accrual Financial Statements	24	24	24	24
Journal Vouchers Submitted	915	891	900	900
Complete Governor's Budget Document	Annual	Annual	Annual	Annual
Finalize State Operating Budget	Annual	Annual	Annual	Annual
Rule and Regulation Fiscal Notes	71	83	80	80
Transfer Requests	39	30	35	35
Contract Carryover Requests	272	318	300	300
Interim Appropriation Meetings	3	5	5	5



**SALE/LEASEBACK (BFM) (0112)**

To make lease payments pursuant to Exhibit D of the lease entered into between the Board of Charities and Corrections and the South Dakota Building Authority dated December 1, 1986.

**BUDGET REQUEST: SALE/LEASEBACK (BFM) (0112)**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Sale/Leaseback (BFM)	4,000,000	0	0	0	0	0
<b>Total</b>	<b>4,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	4,000,000	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>4,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Salaries	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
<b>Operating Expenditures</b>	<b>4,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Travel	0	0	0	0	0	0
Contractual Services	4,000,000	0	0	0	0	0
Supplies and Materials	0	0	0	0	0	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>4,000,000</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

## SALE LEASEBACK HISTORY

- In the 1980's, the Legislature sold most state-owned buildings and leased them back for state use. This was a revenue generating initiative for the state to use the investment income on the money received from the sale of the buildings. Part of the investment income was to be used to pay for the leases, and the other portion would be realized as net earnings.
- The state sold its office buildings valued at approximately \$200,000,000 to the South Dakota Building Authority (SDBA).
- To pay for the buildings, the SDBA sold bonds. Bond payments by SDBA to the bondholders would be made from payments by the state for the use of the same buildings.
- The state then took the \$200,000,000 and purchased an annuity contract for \$183,500,000 on the lives of a pool of retired state employees in the South Dakota Retirement System. The revenue stream to the state from the annuity contract would be used to make payments to the SDBA. Of the remaining \$16.5 million, \$14.5 million was used to fund one-time capital projects, and \$2 million was held in reserve to protect against the pool of retired employees dying faster than actuarial projections.
- At the end of the 30-year contract (December 2016), the state will resume ownership of the buildings from the South Dakota Building Authority.
- The Building Authority provides for the payment of the original sale/leaseback (Foss, Anderson, State Library, Commerce Building, Becker-Hansen, and Soldiers' and Sailors' War Memorial buildings). The original closing date was December 18, 1986. The activity was refinanced in 1996 to take advantage of a more favorable interest rate. The refinancing in 1996 did not change the final payment date of 12/1/16.

## COMPUTER SERVICES AND DEVELOPMENT (0113)

To provide funding for the development and maintenance of computer systems in various state agencies.

### BUDGET REQUEST: COMPUTER SERVICES AND DEVELOPMENT (0113)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Computer Services and Development	0	0	2,000,000	2,000,000	2,000,000	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	0	0	2,000,000	2,000,000	2,000,000	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Salaries	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
<b>Operating Expenditures</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>0</b>
Travel	0	0	0	0	0	0
Contractual Services	0	0	2,000,000	2,000,000	2,000,000	0
Supplies and Materials	0	0	0	0	0	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>2,000,000</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>FUNDING SOURCES (Governor's Recommended)</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>%General</b>	<b>%Federal</b>	<b>%Other</b>
BUDGETARY ACCOUNTING FUND	0	0	2,000,000	0.0%	0.0%	100.0%

**BUDGET DETAIL: COMPUTER SERVICES AND DEVELOPMENT (0113)**

Prior Year Recap		FTE	General	Federal	Other	Total
FY 2018 Original Budget		0.0	0	0	2,000,000	2,000,000
Legislative Adjustments						
Total Legislative Adjustments		0.0	0	0	0	0
Agency Adjustments						
One-time transfer from development pool	OE		0	0	(2,000,000)	(2,000,000)
Total Agency Adjustments		0.0	0	0	(2,000,000)	(2,000,000)
FY 2018 Adjusted Budget		0.0	0	0	0	0
Reversions						
Prior Year Reversions	OE		0	0	0	0
Total Reversions		0.0	0	0	0	0
Unutilized FTE		0.0				
FY 2018 Percent Reverted or Transferred		0	0	0	0.0%	0.0%

**Prior Year Transfers Between Programs**

Transferred \$2,000,000 in other fund expenditure authority from Computer Services and Development in the Bureau of Finance and Management (BFM) to other fund expenditure authority in the South Dakota Retirement System (\$500,000), BFM Financial Systems and Operations (\$1,000,000), and BFM Statewide Internal Control (\$500,000).

This is a one-time transfer from operating expenses to operating expenses. The Computer Development Pool is available to agencies for technology expenditures. The expenditure authority for the South Dakota Retirement System is needed for software development to ensure up-to-date and long lasting processes, as well as a more robust cybersecurity platform. The expenditure authority for BFM is needed for one-time costs associated with computer development projects related to the Comprehensive Annual Financial Report system upgrade, transparency portal upgrade, and payroll/benefits/HR system upgrade within BFM Financial Systems and Operations, as well as the development of an internal control system framework within BFM Statewide Internal Control.

Current Year Recap		FTE	General	Federal	Other	Total
FY 2019 Original Budget		0.0	0	0	2,000,000	2,000,000
Legislative Adjustments						
Total Legislative Adjustments		0.0	0	0	0	0
Agency Adjustments						
Total Agency Adjustments		0.0	0	0	0	0
FY 2019 Adjusted Budget		0.0	0	0	2,000,000	2,000,000

**BUILDING AUTHORITY - INFORMATIONAL (0115)**

To finance the construction and/or improvements to hospitals, housing facilities, penitentiaries, administrative facilities, classrooms, dining halls, fieldhouses, parking facilities, union buildings, libraries, recreational areas, laboratories, offices, and similar facilities for use by the State of South Dakota.

**BUDGET REQUEST: BUILDING AUTHORITY - INFORMATIONAL (0115)**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Building Authority - Informational	573,257	601,689	564,577	564,577	564,577	0
<b>Total</b>	<b>573,257</b>	<b>601,689</b>	<b>564,577</b>	<b>564,577</b>	<b>564,577</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	573,257	601,689	564,577	564,577	564,577	0
<b>Total</b>	<b>573,257</b>	<b>601,689</b>	<b>564,577</b>	<b>564,577</b>	<b>564,577</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>156,296</b>	<b>161,656</b>	<b>2,530</b>	<b>2,530</b>	<b>2,530</b>	<b>0</b>
Salaries	124,039	126,117	2,530	2,530	2,530	0
Benefits	32,257	35,539	0	0	0	0
<b>Operating Expenditures</b>	<b>416,961</b>	<b>440,033</b>	<b>562,047</b>	<b>562,047</b>	<b>562,047</b>	<b>0</b>
Travel	19,634	33,794	12,000	12,000	12,000	0
Contractual Services	393,527	403,220	543,547	543,547	543,547	0
Supplies and Materials	2,337	2,409	4,500	4,500	4,500	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	1,463	610	2,000	2,000	2,000	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>573,257</b>	<b>601,689</b>	<b>564,577</b>	<b>564,577</b>	<b>564,577</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>1.3</b>	<b>1.3</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>FUNDING SOURCES (Governor's Recommended)</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>%General</b>	<b>%Federal</b>	<b>%Other</b>
SDBA PUBLIC BUILDING FUND	0	0	564,577	0.0%	0.0%	100.0%

## **PURPOSE: BUILDING AUTHORITY - INFORMATIONAL (0115)**

The purpose of the South Dakota Building Authority is to build or otherwise provide facilities for use by the State. To finance such projects, the Authority is empowered to issue and sell bonds as the Legislature by law declares to be in the public interest. Amounts issued by the Authority shall not be deemed to constitute a debt of the State of South Dakota or any political subdivision thereof. Concurrently with the issuance of bonds, the Authority executes leases or lease supplements with the board, department, office, commission, or agency of the State which will use and operate the facility.

The South Dakota Building Authority contracts with the South Dakota Health and Educational Facilities Authority for management services on an annual basis.

## **FINANCIAL HIGHLIGHTS AND DEBT ADMINISTRATION: BUILDING AUTHORITY - INFORMATIONAL (0115)**

### **Financial Highlights**

- Total assets of the Authority decreased \$44.5 million or 13.0%.
- Total liabilities of the Authority decreased \$43.4 million or 12.1%.
- Net position of the Authority decreased \$1.6 million or 15.0%.
- Cash and cash equivalents of the Authority decreased \$52.5 million or 51.1%.
- Amounts due from State decreased \$0.3 million or 0.1%.
- Current and Noncurrent Bonds payable decreased \$46.3 million or 13.1%.
- Construction in progress increased \$8.2 million or 290.2%.
- Amounts held for others increased \$1.3 million or 474.4%.
- Deferred outflows decreased \$0.4 million or 8.7%.

### **Debt Administration**

The Authority is authorized to issue revenue bonds, notes or other obligations on behalf of state institutions for the purpose of the constructing, equipping and improving of facilities or the refinancing of outstanding debt.

The Authority did not issue any new bonds in FY 2018.

The Authority paid at maturity bonds totaling \$44.4 million in FY 2018.

The Authority's bonds are rated AA+ by Standard and Poor's, Aa1 by Moody's Investor Service and AA+ by Fitch Rating.

[Link to 2018 Annual Report](#)

## HEALTH AND EDUCATION FACILITIES AUTHORITY - INFORMATIONAL (0116)

To assist private nonprofit health and educational institutions in South Dakota in the construction, acquisition, financing and refinancing of projects to be undertaken for health care and higher education programs; assist South Dakota school districts and public bodies to alleviate cash flow shortages and reduce short-term borrowing costs; finance capital improvements for vocational education; assist public bodies in the financing of real property, equipment or other personal property; and assist public bodies, health institutions and educational institutions in the investment of funds intended for use or application in connection with any purpose, project or program.

The Authority is a body politic and corporate and public instrumentality of the State of South Dakota created in 1972 by Chapter 1-16A of the South Dakota Codified Laws.

## BUDGET REQUEST: HEALTH AND EDUCATION FACILITIES AUTHORITY - INFORMATIONAL (0116)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Health & Ed Facilities Authority - Info	726,329	783,191	695,175	695,175	695,175	0
<b>Total</b>	<b>726,329</b>	<b>783,191</b>	<b>695,175</b>	<b>695,175</b>	<b>695,175</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	726,329	783,191	695,175	695,175	695,175	0
<b>Total</b>	<b>726,329</b>	<b>783,191</b>	<b>695,175</b>	<b>695,175</b>	<b>695,175</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>511,326</b>	<b>546,385</b>	<b>475,425</b>	<b>475,425</b>	<b>475,425</b>	<b>0</b>
Salaries	388,851	411,579	370,707	370,707	370,707	0
Benefits	122,475	134,806	104,718	104,718	104,718	0
<b>Operating Expenditures</b>	<b>215,003</b>	<b>236,806</b>	<b>219,750</b>	<b>219,750</b>	<b>219,750</b>	<b>0</b>
Travel	17,017	20,529	22,141	22,141	22,141	0
Contractual Services	183,679	196,137	179,111	179,111	179,111	0
Supplies and Materials	11,941	16,006	15,383	15,383	15,383	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	2,366	4,134	3,115	3,115	3,115	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>726,329</b>	<b>783,191</b>	<b>695,175</b>	<b>695,175</b>	<b>695,175</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>3.7</b>	<b>3.7</b>	<b>6.0</b>	<b>6.0</b>	<b>6.0</b>	<b>0.0</b>
<b>FUNDING SOURCES (Governor's Recommended)</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>%General</b>	<b>%Federal</b>	<b>%Other</b>
HEALTH & EDUCATIONAL FACILITIES AUTH	0	0	695,175	0.0%	0.0%	100.0%

## **PURPOSE: HEALTH AND EDUCATION FACILITIES AUTHORITY - INFO (0116)**

The Authority is a body politic and corporate and public instrumentality of the State of South Dakota created in 1972 by Chapter 1-16A of the South Dakota Codified Laws “SDCL” (the Act). The purpose of the Authority is to (i) assist private nonprofit health and educational institutions in South Dakota in the construction, acquisition, financing and refinancing of projects to be undertaken for health care and higher education programs, (ii) assist South Dakota school districts and public bodies to alleviate cash flow shortages and reduce shortterm borrowing costs, (iii) finance capital improvements for vocational education, (iv) assist public bodies in the financing of real property, equipment or other personal property and (v) assist public bodies, health institutions and educational institutions in the investment of funds intended for use or application in connection with any purpose, project or program authorized by the Act.

## **FINANCIAL HIGHLIGHTS AND DEBT ADMINISTRATION: HEALTH AND EDUCATION FACILITIES AUTHORITY - INFO (0116)**

### **Financial Highlights**

- Total assets of the Authority increased \$472.9 million or 29.6%.
- Total liabilities of the Authority increased \$472.6 million or 29.7%.
- Net position of the Authority increased \$286,416 or 8.7%.
- Cash and cash equivalents of the Authority increased \$27.7 million or 275.9%.
- Investments increased \$173.3 million or 251.1%.
- Receivables from institutions and bonds payable increased \$265.7 million or 17.7%.

### **Debt Administration**

The Authority is authorized to issue tax-exempt revenue bonds, notes or other obligations on behalf of nonprofit institutions for the purpose of the constructing, equipping and improving of facilities or the refinancing of outstanding debt.

The Authority issued a total of \$440.5 million in bonds in fiscal year 2018 of which \$223.1 million was to Avera Health, \$212.2 million was to Regional Health and \$5.2 million was to LifeScape.

The Authority retired or paid at maturity a total of \$174.8 million of bonds in fiscal year 2018 of which \$51.2 million was matured principal, \$9.4 million was paid in advance of scheduled maturity and \$114.2 million was transferred to escrow.

The Authority's bonds are rated from AA- to A+ by Standard and Poor's, Aa1 to A1 by Moody's Investor Service, A+ to AA+ by Fitch Ratings and some bonds are unrated.

[Link to 2018 Annual Report](#)



# EDUCATIONAL ENHANCEMENT FUNDING CORPORATION - INFORMATIONAL (0119)

Educational Enhancement Funding Corporation issued Tobacco Settlement Asset-Backed Bonds to provide upfront cash to the State of South Dakota in exchange for an assignment of the State of South Dakota's future Master Settlement Agreement tobacco payments for as long as the Educational Enhancement Funding Corporation's bonds are outstanding.

## BUDGET REQUEST: EDUCATIONAL ENHANCEMENT FUNDING CORPORATION - INFORMATIONAL (0119)

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Educ. Enhancement Funding Corp - Info	97,124	120,478	139,605	139,605	139,605	0
<b>Total</b>	<b>97,124</b>	<b>120,478</b>	<b>139,605</b>	<b>139,605</b>	<b>139,605</b>	<b>0</b>
<b>BY FUND CATEGORY</b>						
General	0	0	0	0	0	0
Federal	0	0	0	0	0	0
Other	97,124	120,478	139,605	139,605	139,605	0
<b>Total</b>	<b>97,124</b>	<b>120,478</b>	<b>139,605</b>	<b>139,605</b>	<b>139,605</b>	<b>0</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
Salaries	0	0	0	0	0	0
Benefits	0	0	0	0	0	0
<b>Operating Expenditures</b>	<b>97,124</b>	<b>120,478</b>	<b>139,605</b>	<b>139,605</b>	<b>139,605</b>	<b>0</b>
Travel	784	5,564	5,000	5,000	5,000	0
Contractual Services	93,590	111,664	131,605	131,605	131,605	0
Supplies and Materials	2,750	3,250	3,000	3,000	3,000	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>97,124</b>	<b>120,478</b>	<b>139,605</b>	<b>139,605</b>	<b>139,605</b>	<b>0</b>
<b>Full-Time Equivalent (FTE)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>
<b>FUNDING SOURCES (Governor's Recommended)</b>	<b>General</b>	<b>Federal</b>	<b>Other</b>	<b>%General</b>	<b>%Federal</b>	<b>%Other</b>
TOBACCO SECURITIZATION	0	0	139,605	0.0%	0.0%	100.0%

## FINANCIAL HIGHLIGHTS: EDUCATIONAL ENHANCEMENT FUNDING CORPORATION - INFO (0119)

### Financial Highlights

- Total assets of the Authority decreased \$67.7 thousand or (.2%).
- Total liabilities of the Authority decreased \$12.2 million or (11.5%).
- Net position of the Authority increased \$11.7 million or 16.6%.
- Cash, cash equivalents and investments of the Authority decreased \$116.7 thousand or (52.0%)
- Deferred outflows decreased \$413.5 thousand or (10.1%)

### Debt Administration:

The Corporation issued a total of \$148.5 million in taxable and \$129.5 million in tax-exempt bonds in fiscal year 2003. In fiscal year 2013, the corporation issued a total of \$123,010,000 in Series 2013A taxable and \$46,635,000 in Series 2013B tax-exempt bonds to current refund the Series 2002A and 2002B, respectively.

Outstanding bonds payable bear interest at rates ranging from 3.539% to 5%. There was \$11,500,000 of regularly scheduled bonds redeemed in the Series 2013A during fiscal year 2018.

The Series 2013A bonds are rated "A" and the Series 2013B bonds are rated "A" and "A-" by Standard and Poor's.

[Link to FY2018 Annual Report](#)

**EMPLOYEE COMPENSATION AND BILLING POOLS (0117)**

To provide a pool of funds to be distributed to state agencies for salary, benefits, health insurance, and bureau billings changes.

**BUDGET REQUEST: EMPLOYEE COMPENSATION AND BILLING POOLS (0117)**

	FY 2017 Actual	FY 2018 Actual	FY 2019 Budget	FY 2020 Agency Request	FY 2020 Governors Recommended	Change From FY 2019
<b>BY PROGRAM</b>						
Unused	0	0	0	0	0	0
Market Adjustments	0	0	0	0	22,742,976	22,742,976
Adjust GPS Minimums	0	0	0	0	767,936	767,936
Health Insurance	0	0	0	0	17,521,239	17,521,239
Unused	0	0	0	0	0	0
Bureau Billings for Expansion	0	0	0	0	3,001,505	3,001,505
Pool for Captive Insurance	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,033,656</b>	<b>44,033,656</b>
<b>BY FUND CATEGORY</b>						
General	0	0	0	0	16,143,591	16,143,591
Federal	0	0	0	0	7,963,848	7,963,848
Other	0	0	0	0	19,926,217	19,926,217
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,033,656</b>	<b>44,033,656</b>
<b>BY OBJECT EXPENDITURE</b>						
<b>Personnel Costs</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>39,160,751</b>	<b>39,160,751</b>
Salaries	0	0	0	0	19,564,098	19,564,098
Benefits	0	0	0	0	19,596,653	19,596,653
<b>Operating Expenditures</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>4,872,905</b>	<b>4,872,905</b>
Travel	0	0	0	0	3,001,505	3,001,505
Contractual Services	0	0	0	0	1,871,400	1,871,400
Supplies and Materials	0	0	0	0	0	0
Grants and Subsidies	0	0	0	0	0	0
Capital Outlay	0	0	0	0	0	0
Other	0	0	0	0	0	0
<b>Total</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44,033,656</b>	<b>44,033,656</b>
<b>Full-Time Equivalent (FTE)</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>	<b>0.0</b>

**MAJOR ITEMS SUMMARY: EMPLOYEE COMPENSATION AND BILLING POOLS (0117)**

	Agency Request					Governor's Recommendation				
	General	Federal	Other	Total	FTE	General	Federal	Other	Total	FTE
<b>FY 2020 Base Budget</b>	0	0	0	0	0.0	0	0	0	0	0.0
<b>Maintenance of Current Operations</b>										
A. State Employee Health Insurance	0	0	0	0	0.0	6,890,099	3,234,549	7,396,591	17,521,239	0.0
B. Payments to State Agencies	0	0	0	0	0.0	568,137	498,953	1,934,415	3,001,505	0.0
C. State Employee Market Adjustment	0	0	0	0	0.0	8,685,355	4,230,346	10,595,211	23,510,912	0.0
<b>Total Maintenance Adjustments</b>	0	0	0	0	0.0	16,143,591	7,963,848	19,926,217	44,033,656	0.0
<b>FY 2020 Program Maintenance Budget</b>	0	0	0	0	0.0	16,143,591	7,963,848	19,926,217	44,033,656	0.0
<b>Program Line Items</b>										
<b>Total Program Line Items</b>	0	0	0	0	0.0	0	0	0	0	0.0
<b>FY 2020 Total Budget</b>	0	0	0	0	0.0	16,143,591	7,963,848	19,926,217	44,033,656	0.0
Change from Base Budget	0	0	0	0	0.0	16,143,591	7,963,848	19,926,217	44,033,656	0.0
% Change from Base Budget	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%

**BUDGET DETAIL: EMPLOYEE COMPENSATION AND BILLING POOLS (0117)**

		FTE	General	Federal	Other	Total
<b>Prior Year Recap</b>						
<b>FY 2018 Original Budget</b>		0.0	0	0	0	0
<b>Legislative Adjustments</b>						
Supplemental Bill	PS		5,470,621	2,087,522	3,738,163	11,296,306
Supplemental Bill - Health Insurance	PS		(5,470,621)	(2,087,522)	(3,738,163)	(11,296,306)
Supplemental Bill	OE		228,947	98,509	179,168	506,624
Supplemental Bill - Health Insurance	OE		(228,947)	(98,509)	(179,168)	(506,624)
<b>Total Legislative Adjustments</b>		0.0	0	0	0	0
<b>Agency Adjustments</b>						
<b>Total Agency Adjustments</b>		0.0	0	0	0	0
<b>FY 2018 Adjusted Budget</b>		0.0	0	0	0	0
<b>Reversions</b>						
Prior Year Reversions	PS		0	0	0	0
Prior Year Reversions	OE		0	0	0	0
<b>Total Reversions</b>		0.0	0	0	0	0
<b>Unutilized FTE</b>		0.0				
<b>FY 2018 Percent Reverted or Transferred</b>		0	0	0	0	0

Current Year Recap		FTE	General	Federal	Other	Total
<b>FY 2019 Original Budget</b>		<b>0.0</b>	<b>5,410,234</b>	<b>2,836,716</b>	<b>6,145,171</b>	<b>14,392,121</b>
<b>Legislative Adjustments</b>						
Market Adjustment	PS		(4,155,008)	(1,964,122)	(5,111,299)	(11,230,429)
General Pay Structure Minimums	PS		(631,981)	(534,249)	(491,603)	(1,657,833)
Market Adjustment	OE		(252,589)	(103,378)	(215,538)	(571,505)
Bureau Billings	OE		(370,656)	(234,967)	(326,731)	(932,354)
<b>Total Legislative Adjustments</b>		<b>0.0</b>	<b>(5,410,234)</b>	<b>(2,836,716)</b>	<b>(6,145,171)</b>	<b>(14,392,121)</b>
<b>Agency Adjustments</b>						
<b>Total Agency Adjustments</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>FY 2019 Adjusted Budget</b>		<b>0.0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>

<b>FY 2020 Base</b>						
Agency Request		0.0	0	0	0	0
Governor's Recommendation		0.0	0	0	0	0

#### A. State Employee Health Insurance

The Governor is recommending the amount necessary to structurally balance the State Employee Health Plan.

Agency Request	0.0	0	0	0	0
Governor's Recommendation	0.0	6,890,099	3,234,549	7,396,591	17,521,239

#### B. Payments to State Agencies

The Governor is recommending a pool of funds to be distributed to agencies for travel due to fleet rate increases. The new rates went into effect on 10/01/2018.

Agency Request	0.0	0	0	0	0
Governor's Recommendation	0.0	568,137	498,953	1,934,415	3,001,505

#### C. State Employee Market Adjustment

The Governor is recommending a 2.3% market adjustment for state employees.

Agency Request	0.0	0	0	0	0
Governor's Recommendation	0.0	8,685,355	4,230,346	10,595,211	23,510,912

<b>FY 2020 Total</b>						
Agency Request		0.0	0	0	0	0
Governor's Recommendation		0.0	16,143,591	7,963,848	19,926,217	44,033,656

Agency Request					
Change from Original Appropriation	0.0	0	0	0	0
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Governor's Recommendation</i>					
Change from Original Appropriation	0.0	16,143,591	7,963,848	19,926,217	44,033,656
% Change from Original Appropriation	0.0%	0.0%	0.0%	0.0%	0.0%

### Agency Funding Sources

FUND NAME	TOTAL	FUND NAME	TOTAL
1000 - STATE GENERAL FUND	970,701	6013 - SDBA PUBLIC BUILDING FUND	564,577
4601 - TOBACCO SECURITIZATION	139,605	6019 - BOA SUPPORT SERVICES	685,554
6010 - BUDGETARY ACCOUNTING FUND	6,708,354	6513 - HEALTH & EDUCATIONAL FACILITIES AUTH	695,175
		<b>Grand Total</b>	<b>9,763,966</b>

Does not include funding in 0117 Employee Compensation and Billing Pools as these are funds for distribution and do not reflect funding sources used by the agency for operations.

### Other Fund Balance History

Company	60 Month Average	Minimum Balance	Most Recent Occurrence of Minimum	Balance on June 30				
				2014	2015	2016	2017	2018
6010 - BUDGETARY ACCOUNTING FUND	1,669,696	(64,870)	May 2014	727,935	971,453	1,073,892	2,134,983	2,495,123
6013 - GENERAL OPERATION AND ADMIN FUND OF SDBA	976,773	567,868	July 2017	981,505	950,848	914,409	897,217	987,491

## Historical Budget Changes

	General Funds	Federal Funds	Other Funds	Total Funds	FTEs
<b>FY14 Budget Increases</b>					
• Bureau Billing Increase	1,309		21,362	22,671	
• BFM Salary Pool	17,132,553	10,293,212	19,920,796	47,346,561	
• Building Authority increased operating costs			70,167	70,167	
• HEFA - increased operating costs			152,068	152,068	
• Salary Policy for CJJ	29,775		2,013	31,788	
<b>FY15 Budget Increases</b>					
• CAFR Initiative			233,306	233,306	3.0
• Financial Systems Accountant			72,331	72,331	1.0
• Sale/Leaseback Payment	30,000			30,000	
• Computer Development Pool increase			282,636	282,636	
• Bureau Billings	1,356		53,422	54,778	
• State Government Salary Pool	20,333,662	11,268,386	22,221,974	53,824,022	
<b>FY16 Budget Increases</b>					
• Faster CAFR			165,707	165,707	2.0
• Software Maintenance			169,329	169,329	
• Employee Compensation Pool - Includes reduction in movement toward market value from 2.5% to 2%.	10,251,413	5,070,195	11,200,009	26,521,617	
• Bureau Billing Pool	603,058	513,792	1,544,347	2,661,197	
• Captive Insurance Pool	592,982	385,944	751,224	1,730,150	
• Transfer gen funds from BOA Statewide M&R to BFM Employee Compensation and Billings Pool	662,413	197,631	468,161	1,328,205	
<b>FY17 Recommended Budget Increases</b>					
<b>FY2017 Line Items</b>					
• Software Maintenance			36,070	36,070	
• Adjust Sale/Leaseback Payment	(500,000)			(500,000)	
• Realign Building Authority Budget			61,900	61,900	
• Realign Health and Ed Facilities Budget			(393)	(393)	
• Realign Ed. Enhancement Funding Corp. Budget			2,768	2,768	
• Salary Policy Pool	13,553,246	6,540,938	14,436,888	34,027,827	
• Health Insurance Decrease	(1,453,652)	(708,694)	(1,566,777)	(3,729,123)	
• Bureau Billing Pool	217,508	262,980	75,220	555,708	
• Remove Unused Captive Ins. Authority	(2,270)	(312,180)	(490,026)	(804,476)	

	General Funds	Federal Funds	Other Funds	Total Funds	FTEs
<b>FY18 Budget</b>					
<b>Maintenance of Current Operation Items</b>					
• Operating Expense Inflation	0	0	(804)	(804)	
• Payments to State Agencies	0	0	454	454	
• Final Sale/Leaseback Payment in FY2017	(4,000,000)	0	0	(4,000,000)	
• Transfers Between Programs	0	0	(86,384)	(86,384)	
• Other Adjustments	0	0	(106,719)	(106,719)	
<b>FY2018 Line Items</b>					
• Economic Consulting	20,000	0	0	20,000	
• Bureau Billings for Expansions	197,179	91,105	187,217	475,501	
• State Employee Health Insurance	441,845	200,790	451,790	1,094,425	
• Remove FY17 Distribution Remainder	(144,090)	(33,924)	(214,106)	(392,120)	
<b>FY19 Budget</b>					
<b>• Maintenance of Current Operation Items</b>					
• None					
<b>FY2019 Line Items</b>					
• CAFR Reporting System Upgrades	-	-	125,000	125,000	
• Software Maintenance Contracts	-	-	256,667	256,667	
• Market Adjustment	4,407,597	2,067,500	5,326,837	11,801,934	
• Adjust Artificial Minimums	631,981	534,249	491,603	1,657,833	
• Bureau Billing Pool	370,656	234,967	326,731	932,354	